

**THE
PREMIER TRUST
COMPANY**

INCORPORATED
BY ACT OF
PARLIAMENT OF CANADA

**SIXTY-FOURTH
ANNUAL REPORT**

1979

MEMBER
CANADA DEPOSIT INSURANCE
CORPORATION

BOARD OF DIRECTORS

THOMAS H. HOLMES,
President and General Manager

J. L. SMITH
Assistant General Manager

MARY HOLMES ANDERSON

L. J. FLECK

E. L. HAMILTON

G. F. McCANN

DAVID B. WEATHERHEAD

MARGERY H. WILSON
Secretary

OFFICES

Toronto
19 Richmond Street West
M5H 1Z1
J. F. BROMLEY, Manager

St. Catharines
44 James Street
L2R 5B8
A. W. G. HALL
Manager

London
428 Richmond Street
N6A 3E1
G. T. WELSH
Manager

THE PREMIER TRUST COMPANY

STATEMENT OF INCOME For the Year Ended December 31, 1979

Income	1979	1978
Mortgage interest	\$7,035,357	\$7,079,547
Bond interest	1,023,051	847,719
Bank interest	568,154	399,286
Other income	511,935	592,553
	<u>9,138,497</u>	<u>8,919,105</u>
Expenses		
Interest on deposits	6,385,389	6,005,096
Salaries and staff benefits	836,138	786,454
Other operating expenses	564,073	513,974
Depreciation	16,043	15,628
	<u>7,801,643</u>	<u>7,321,152</u>
Income before taxes	1,336,854	1,597,953
Income taxes: Current	607,985	738,812
Deferred	12,015	(4,812)
	<u>620,000</u>	<u>734,000</u>
Operating income	716,854	863,953
Profit on sale of investments less related income taxes	<u>—</u>	<u>—</u>
Net income	<u>\$ 716,854</u>	<u>\$ 863,953</u>
Net income per share	<u>\$ 5.85</u>	<u>\$ 7.05</u>

STATEMENT OF RETAINED EARNINGS For the Year Ended December 31, 1979

	1979	1978
Balance, beginning of year	\$ 126,517	\$ 160,564
Net income for year	716,854	863,953
	<u>843,371</u>	<u>1,024,517</u>
Less: Dividends	98,000	98,000
Transfer to general reserve	600,000	800,000
	<u>698,000</u>	<u>898,000</u>
Balance, end of year	<u>\$ 145,371</u>	<u>\$ 126,517</u>

STATEMENT OF GENERAL RESERVE For the Year Ended December 31, 1979

	1979	1978
Balance, beginning of year	\$8,800,000	\$8,000,000
Transfer from retained earnings	600,000	800,000
Balance, end of year	<u>\$9,400,000</u>	<u>\$8,800,000</u>

THE PREMIER

BALANCE SHEET

ASSETS

	1979	1978
Cash and bank term deposits	\$ 6,613,143	\$ 6,271,100
Income taxes recoverable	76,660	—
Secured loans	355,824	365,300
Canada bonds, at amortized cost	11,123,240	11,011,000
(Market value 1979 \$10,988,190 1978 \$10,967,561)		
Stocks, at cost	417,877	417,800
(Market value 1979 \$1,646,072 1978 \$1,366,843)		
Mortgages	62,635,869	62,017,380
Office premises, at cost, less accumulated depreciation \$742,380 (1978 \$726,337)	414,945	422,140
	<u>\$ 81,637,558</u>	<u>\$ 80,504,900</u>

DIRECTOR

We certify that to the best of our knowledge and belief, the appended balance sheet is a true and correct statement of the affairs of the Company.

THOMAS H. HOLMES
President & General Manager

AUDITOR

To the Shareholders,
The Premier Trust Company,
Toronto, Ontario.

I have examined the balance sheet of The Premier Trust Company and the statement of income and retained earnings for the year then ended and have obtained all the information and documents necessary for the purpose. I have accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary.

In my opinion, except that mortgages are not carried at amortized cost and that the Company as at December 31, 1979, and the results of its operations for the year ended December 31, 1979, are stated on a basis consistent with that of the preceding year, according to the best of my knowledge and belief, the balance sheet and statement of income and retained earnings are a true and correct statement of the affairs of the Company.

Toronto, Ontario,
January 4, 1980.

TRUST COMPANY

DECEMBER 31, 1979

LIABILITIES

	1979	1978
Trust deposits	\$ 10,129,374	\$ 11,029,946
Guaranteed investment certificates	60,233,738	58,754,008
Total guaranteed account	70,363,112	69,783,954
Income taxes payable	—	24,958
Dividend payable	24,500	24,500
Other liabilities	28,194	80,609
Deferred income taxes	451,381	439,366

SHAREHOLDERS' EQUITY

Share Capital

Authorized — 300,000 shares of \$10 each		
Issued — 122,500 shares	\$ 1,225,000	\$ 1,225,000
General reserve	9,400,000	8,800,000
Retained earnings	145,371	126,517
	10,770,371	10,151,517
	\$ 81,637,558	\$ 80,504,904

CERTIFICATE

ent is correct and shows truly and clearly the financial condition of the Company's

WITH
or

DAVID B. WEATHERHEAD
Director

REPORT

ember 31, 1979, and the statements of income, retained earnings and general
ations I have required. My examination was made in accordance with generally
ures as I considered necessary in the circumstances.

ned in note 1(b), these financial statements present fairly the financial position of
n ended in accordance with generally accepted accounting principles applied on
ormation and the explanations given to me and as shown by the books of the

JOHN E. GOODWIN, F.C.A.
Chartered Accountant

THE PREMIER TRUST COMPANY

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies

(a) Investments

Canada Bonds are stated at amortized cost and stocks at original cost. Gains and losses are recorded upon sale of investments.

(b) Mortgages

not recorded at market cost
Mortgages, including those acquired at a discount, are recorded at cost. Discounts are taken into income in the year in which the balance of cost has been recovered.

(c) Offices premises

This includes land, buildings and office equipment. Depreciation of buildings and office equipment is calculated at the maximum rates allowed for income tax purposes.

(d) Income taxes

Income taxes are provided on reported income in accordance with the tax allocation method. Income taxes that are not currently payable because of timing differences, are shown as deferred.

(e) Income and expenses

Investment income and interest expense are recorded on the accrual basis. Estate and trust fees are included in income as they are received.

2. Statutory information

The aggregate remuneration paid or payable by the Company to directors and senior officers during the year was \$301,642 (1978 \$277,418).

THE PREMIER TRUST COMPANY

SERVICES

SAVINGS:

Accepts money on deposit, withdrawable by cheque and allows interest on credit balances.

GUARANTEED INVESTMENTS:

Accepts money in trust for investment for any period and guarantees repayment of interest and principal. The Guaranteed Investment Certificates issued by The Premier Trust Company are authorized by law as a trustee investment, bear an attractive rate of interest and are suitable not only for the ordinary investor but for executors and trustees. Write or telephone for descriptive folder.

MORTGAGES:

Lends money upon security of selected first mortgages of real estate.

Acts as collection and lending agent for mortgagees.

Lends to mortgagees upon security of mortgages.

Purchases mortgages.

COLLATERAL LOANS:

Lends money to firms and corporations, brokers, bond houses and individuals upon security of eligible marketable collateral such as bonds, stocks, Guaranteed Investment Certificates, etc. Lowest current interest rates. Prompt service. Borrowers are invited to enquire. Loans may be arranged by mail.

ESTATES:

Administers estates where the Trust Company is acting as executor under will or as administrator under court order or as trustee.

Acts as receiver, manager, attorney, guardian or committee.

REAL ESTATE:

Member of Toronto and St. Catharines Niagara Real Estate Boards.

Acts as rental and sales agent for owners of real estate, and manages properties such as apartments, office buildings, etc.

THE PREMIER TRUST COMPANY

SERVICES

CORPORATE TRUSTS:

Administers the affairs of corporations for which the Trust Company acts as trustee, receiver or manager.

Acts as liquidator in voluntary winding up and under the Winding Up Act.

Acts as manager, comptroller, accountant, treasurer and secretary.

Acts as trustee in bond issues, as manager of sinking funds and as trustee for pension funds.

Acts as depository and disbursing agent.

ACCOUNTING:

Incidental to its other services, the Trust Company installs and operates systems of accounts, records and filing; carries out examinations of books and accounts; furnishes reports and statements; performs general secretarial services.

SECURITIES:

Purchases, holds, sells and exchanges bonds, debentures, stocks and other securities.

Collects and remits proceeds of bond interest coupons, stock dividends, etc.

Acts as investment counsel and furnishes reports on investments.

STOCK TRANSFER:

Transfers and registers shares and other securities of corporations or syndicates for which the Trust Company has been appointed transfer agent or registrar.

Countersigns and certifies as to the genuineness of issues of securities.

Acts as dividend disbursing agent, escrow agent and pool trustee.

SAFE DEPOSIT BOXES:

Rents safe deposit boxes and accepts custody of valuables for safekeeping.